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In re Application of  
Yates Jr et al.  
Application No. 09/385,394  
Filed: August 30, 1999  
Attorney Docket No. 005231.03-4000

**OFFICE OF PETITIONS**

DECISION ON PETITION

This is in response to the communication entitled "Petition from Decision of the Director, Office of Petitions" filed February 9, 2004, which is being treated as a petition under 37 CFR 1.181 requesting reconsideration of the decision of December 4, 2003, which dismissed as moot the petition seeking withdrawal of finality of the Office action of December 1, 2002, and denied the request for a refund of various fees incurred since that date.

The petition considered under 37 CFR 1.181 is denied.

Petitioners have requested reconsideration on the grounds that the finality of the Office action dated October 1, 2002, is not a moot issue. Petitioners further contend that the fees they paid were never due in the first instance due to the alleged improper finality, and therefore are refundable.

Nevertheless, no meaningful relief can be accorded to petitioners. The requested relief from an Office action allegedly made prematurely final has already been realized by way of petitioners' filing of a proper RCE request on July 3, 2003, that itself withdrew the contested finality and reopened prosecution. As such, there is no remaining condition of finality of that Office action to review, or overturn. See 37 CFR 1.114(d). While petitioners still desire a determination as to whether the Office action of October 1, 2002, was properly made final, it is not the policy of the USPTO to expend its limited resources in the rendering of advisory opinions. See Malone v. Toth, Rupp, and Meyer, 202 USPQ 397 (Comm'r. Pat. 1978); Hicks v Costello, 1903 Dec. Comm'r Pat. 123, 124 (Comm'r Pat. 1902).

Petitioners further request, that finality be withdrawn and the USPTO issue an Office action demonstrating all the elements of "*prima facie* unpatentability," appears to confuse the "procedural issue" of finality of an Office action, which is reviewable on petition, with the "merits issue" of the claim rejections in the Office action, which are reviewable on appeal to the Board of Patent Appeals and Interferences (Board). Statute and regulation dictate that adverse rejections of the claims are reviewed by appeal to the Board, not on petition to the Director. That is, the question of whether any given rejection sets forth all the elements of "*prima facie* unpatentability" is decided by the Board. It is well settled that the Director will not, on petition, usurp the functions or impinge upon the jurisdiction of the Board. See In re Dickerson 299 F.2d 954, 958, 133 USPQ 39, 43 (CCPA 1962); Bayley's Restaurant v. Bailey's of Boston, Inc., 170 USPQ 43, 44 (Comm'r Pat. 1971). Here, petitioners themselves withdrew their

requested review by the Board of this same question of "*prima facie* unpatentability" of the rejections set forth in the Office action of October 1, 2002, when they filed their RCE request on July 3, 2003. See 37 CFR 1.114(d). Accordingly, petitioners cannot reasonably expect to now obtain, directly or indirectly, a requested review in the guise of a petition as to whether the Office action of October 1, 2002, demonstrated, in petitioner's terms, all elements of "*prima facie* unpatentability."

Further, petitioners contend that the question of finality is not moot and rely upon decisional authorities (e.g., Roe v. Wade, 410 U.S. 713 (1973)) in support of their position that the non-existent condition of finality should nevertheless be reviewed on petition. A commonly accepted test for mootness is whether an actual case or controversy exists throughout the requested review and not just at the time the complaint is initiated. There is an exception to the mootness doctrine which is predicated on the ephemeral nature of the challenged action when such operates to defeat review of the matter before it expires. However, the authorities upon which petitioners rely do not stand for the proposition that the instant petition is not moot or is ripe for review, but rather enunciate various exceptions to the mootness/ripeness doctrine that have no application to the instant petition.

For instance, petitioners' contention that the mootness exception of "capable of recurring while evading review" dictates that the finality question in this case has not been mooted, is not well taken. As noted in Super Tire Engineering v. McCorkle, 416 U.S. 115, 122 (1974), "since this case involves governmental action, we must ponder the broader consideration of whether the short-term nature of that action makes the issues presented here 'capable of repetition, yet evading review,' so that petitioners are adversely affected by government 'without a chance of redress.'" However, as petitioners had sought redress—both of the "*prima facie* unpatentability" issue by way of the Notice of Appeal to the Board and of the allegedly premature finality issue by way of the petition before the Group Director-- when they themselves filed the RCE which terminated both redress proceedings, the record does not support a contention that petitioners were "without a chance of redress" due to the contested finality. Indeed, the "capable of repetition, yet evading review..." standard applies only in exceptional circumstances. DeFunis v. Overgaard, 416 U.S. 312, 319 (1974); City of Los Angeles v. Lyons, 461 U.S. 95, 109 (1983). In order to demonstrate that such "exceptional circumstances" were present herein, petitioners must show that two conditions were simultaneously present: (1) the duration of finality is (was) too short to be fully decided prior to its expiration, and (2) there was a reasonable expectation, not mere conjecture or speculation, that petitioners would again be subjected to the same alleged improper finality. Weinstein v. Bradford, 423 U.S. 147, 149 (1975); Murphy v. Hunt, 455 U.S. 478, 482 (1982); Lewis v. Continental Bank Corp., 494 U.S. 472, 481 (1990); Norman v. Reed, 502 U.S. 279, 288 (1992); Spencer v. Kemna, 523 U.S. 1, 17-18 (1998); This case does not satisfy either condition.

Taking condition (2) listed above first, since 37 CFR 1.113 provides that second or subsequent Office actions may be made final, petitioners have not demonstrated "a reasonable expectation" (as opposed to the mere conjecture and speculation) that a forthcoming Office action herein will be *improperly* made final and evade review. Indeed, while the Office action of February 11, 2004, was a second or subsequent office action that was eligible for consideration for finality under the rule, it was not made final. Even if a forthcoming Office action were allegedly *improperly* made final, petitioners' would nevertheless have an adequate procedural remedy available (i.e., the petition process under 37 CFR 1.181). Moreover, in this case, mootness did not arise from any defect in USPTO procedures or because of any action by the USPTO, but arose solely from petitioners' voluntary action of filing an RCE.

Accordingly, petitioners cannot demonstrate “a reasonable expectation” that the same situation will occur again as a result of USPTO’s procedures or action.

As to condition (1) above, petitioners have not shown that the “condition of finality” was too short to be decided prior to its expiration. Petitioners contend that, at most, there was a brief window of some 183 days in which the issue of finality could have been contested. It is noted that the condition of finality existed in this application from October 1, 2002, until it was voluntarily withdrawn by petitioners on July 3, 2003, upon filing their RCE, which is a period of nine months, or some 270 days. Further, the period for reply to the examiner’s October 1, 2002 final Office action was extendable to April 1, 2003. See 35 U.S.C. § 133; 37 CFR 1.136(a). The examiner himself properly extended applicants period for reply to five months in his Advisory Actions of March 12 and 28, 2003, such that petitioners only paid for a one month extension of time to obtain a full six month response period. Moreover, petitioners’ timely filed Notice of Appeal (filed April 1, 2003), extended the period for filing petitioners’ Appeal Brief with the Board to July 2, 2003, and such was further extendable by five more months, or until December 2, 2003. See 37 CFR 1.191; 1.136(a)(1). Thus, the condition of finality in this case could have been extended to a period of 14 months under the provisions of 37 CFR 1.136(a) alone. Further, 37 CFR 1.136(b) would also have become available for unlimited further extensions of time to file the Appeal Brief with the Board.<sup>1</sup>

As an alternative to extending the period for reply while the finality issue was reviewed on petition, petitioners could have tolled, rather than extended, the period for reply by perfecting their appeal, *i.e.*, simply by filing their Appeal Brief.<sup>2</sup> This alternative would have permitted the requested review on petition of the procedural issue of finality while it remained in place, as well as review of the merits of

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<sup>1</sup> Since the period for filing a Board Appeal Brief is set by regulation and not by statute, there is no statutory limit to the number of or time of extensions available under the provisions of 37 CFR 1.136(b), so long as applicants make a showing of cause, and request the extension prior to expiration of the extendible period, while awaiting *e.g.*, any requested higher level (including judicial) review(s) of the propriety of finality. See 37 CFR 1.136(b). The final agency action of December 4, 2003, (see MPEP 1002.02) was issued some 12 months after applicants’ first request for withdrawal of finality and some 8 months after the first petition for review. Any briefness in the period of finality was occasioned by applicants’ filing an RCE on July 3, 2003, which voluntarily withdrew the finality condition and reopened prosecution. Instead petitioners could have requested the finality condition complained of be reviewed on petition at a higher level, coupled with applicants’ either tolling the period for reply with the Appeal Brief, or extending the period for reply under 37 CFR 1.136(a),(b). The elapsed time for two USPTO decisions on the petitionable matter herein is fairly comparable to that reported in Molins v. Quigg, 4 USPQ2d 1646, 1647 (D.C. Cir. 1987) holding, *inter alia*, that USPTO’s first action final rejection policy did not fall within the “capable of repetition, yet evades review” exception to mootness.

<sup>2</sup> Petitioners would then also have had the option of requesting suspension of action by the USPTO under 37 CFR 1.103 (*i.e.*, holding any Board decision in abeyance) while exhausting review of the petitionable issue.

the contested rejections by the Board. The contested condition of finality would have continued undisturbed, no matter how much time elapsed, in the event that prosecution were reopened by the USPTO due to a favorable decision on the petition. See 37 CFR 1.198; Manual of Patent Examining Procedure (MPEP) 1216.02(D). Further, if the finality condition were reversed on petition, prior to a decision on the merits by the Board, the Notice of Appeal and Appeal Brief fees paid would be reapplied to a later appeal in this case. See MPEP 1208.02. If the petition were denied, then the finality condition would have remained and petitioners could have sought higher level review(s) of the procedural question of alleged improper finality while also obtaining a Board decision on the patentability issues. It is further noted that the filing of a Notice of Appeal and its fee (of which petitioners seek a refund) was an appropriate reply to the Office action of October 12, 2002, regardless of whether that Office action was properly made final. That is, both statute (35 U.S.C. § 134) and regulation (37 CFR 1.191) confer jurisdiction on the Board when a claim has been twice rejected and an appeal is properly filed regardless of whether the rejection is final. See In re Szajna, 164 USPQ 632, 635 (CCPA 1970) (the rejection need not also be made final as a condition of filing a proper appeal so long as the claim is twice rejected).

Accordingly, any contention on the part of petitioners that the term of finality herein was so brief as to be incapable of review, must be regarded as untenable, especially since they themselves voluntarily prematurely terminated the very condition of which they complained. Even assuming *arguendo* this case meets the "capable of repetition" factor, the condition of finality is sufficiently long-lived so as to be "capable of review."

The appealed claim rejections were not reviewed by the Board, and the procedural issue of finality was no longer reviewable on petition because petitioners' RCE request of July 3, 2003, withdrew their appeal and withdrew the finality of the outstanding Office action. See 37 CFR 1.114(d). The USPTO itself did not withdraw the finality to avoid further review. Indeed, the petitioners' voluntarily filed RCE withdrew the finality on July 3, 2003. In fact, petitioners filed their RCE before they requested higher level review of the Group Director's<sup>3</sup> adverse decision on the issue of finality on July 15, 2003. Thus, while petitioners had taken advantage of their opportunity to have their complaints heard both as to the merits of their claim rejections before the Board and as to the procedural issue of finality on petition, they chose, by way of filing a RCE, to withdraw from further consideration the contested procedural issue of finality and contested merits issues of their rejections. As it is the voluntary action of petitioners, not the USPTO, that resulted in the lack of review of the very issues that petitioners wanted addressed, it is reasonable to expect petitioners to accept the consequences of their actions. As held in Molins v. Quigg, 4 USPQ2d 1646, 1650 (D. D.C. 1987), aff'd., 837 F.2d 1064, 5 USPQ2d 1526 (Fed. Cir. 1988), cert. denied, 486 U.S. 1055 (1988), the USPTO's first action final rejection practice does not fall within the "capable of repetition but evades review" exception to mootness doctrine. The court observed:

"Since plaintiff chose not to avail himself of the procedural mechanisms available to it and thereby prevent the harm claimed, the Court will not review the [US]PTO's first action final rejection policy. Plaintiff made its choices and must now live with them."

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<sup>3</sup> Group Directors are also referred to as Technology Center Directors.

Any contention on the part of petitioners that the term of finality herein was so brief as to be incapable of review, must be regarded as untenable, especially since they themselves voluntarily terminated the condition of which they complained. That is, petitioners voluntarily distanced themselves from the mechanisms in place that were ensuring their own requested reviews, yet continue to allege that the USPTO has failed to provide them with review of the very issues that they themselves withdrew. See United States v. Ford Motor Company, 574 F.2d 534 (D.C. Cir. 1977)(no higher level review given to a moot issue where plaintiff's own action mooted plaintiff's requested higher level review).

The extension of time and Notice of Appeal fees which petitioners wish to have refunded were required by 35 U.S.C. § 41 which employs the language of command in that "the Director shall charge the following fees." The payment of the statutory fees is obligatory upon applicants and collection of the statutory fees is likewise obligatory upon the Office. Boyden v. Commissioner of Patents, 441 F.2d 1041, 1043, 168 USPQ 680, 681 (D.C. Cir.), cert denied 404 US 842, 868, 171 USPQ 312 (1971); see also Giuliani v. United States, 8 USPQ2d 1095 (D. Hi 1988), aff'd mem., 878 F.2d 1444 (Fed. Cir. 1989). The USPTO has no discretion to proceed with the processing of an application in the absence of such payment. Boyden, supra. Petitioners obtained the results for which they paid the fees: the pendency of this application was maintained and the appellate review they sought further maintained the pendency of this application. Likewise, the RCE fee authorized by 35 U.S.C. §132(b) and required by 37 CFR 1.114 and 1.17(e) that petitioners paid has obtained their requested result: finality was withdrawn, their appeal was dismissed, and the examination was continued. See e.g., non final Office action of February 11, 2004. Again, petitioners have obtained exactly what they requested and paid for. The patent statute and the rules of practice before the USPTO do not permit an applicant to request and pay for a conditional extension of time fee, a conditional Notice of Appeal fee, or file a conditional request (and fee) for continued examination, and depending on subsequent events, obtain a refund of the fee(s).

Accordingly, the petition is granted to the extent the decision of December 4, 2003, has been reviewed, but is **denied** as to making any changes therein. The request for review of the finality of the Office action of October 1, 2002, remains **dismissed** as mooted by the RCE filed by applicants on July 3, 2003. As the extension of time, Notice of Appeal, and RCE fees are not fees paid in error or in excess, the request for refund of these fees remains **denied**.

This application is being returned to Technology Center AU 2164.

Any inquiries concerning this decision may be directed to Petitions Examiner Brian Hearn at (703) 305-8680.



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Director, Office of Petitions  
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